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CONFIDENTIAL KATHMANDU 000660

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DEPT FOR SCA/INS

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TAGS: <u>PREL PGOV PHUM PREF NP</u>
SUBJECT: FOREIGN MINISTER PANDEY DEFENDS KING

REF: A. KATHMANDU 410

¶B. KATHMANDU 482

1C. 24 FEBRUARY 2006 IIR 6 867 0054 06

¶D. KATHMANDU 633 1E. KATHMANDU 585

Classified By: Ambassador James F. Moriarty. Reasons 1.4 (b/d).

#### Summary

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¶1. (C) Foreign Minister Pandey assured visiting SCA PDAS Camp on March 9 that the King was committed to multiparty democracy. Camp emphasized the importance of the King reaching out to the Parties, but Pandey asserted that the King had reached out and was waiting for the Parties to respond. Pandey complained that India had double standards on democracy and terrorism, but was hopeful about Nepal's relationship with China and the U.S. On refugee issues, Pandey informed Camp that Bhutan had responded to his January letter (ref A) with yet another delaying tactic. Pandey confirmed HMGN's intention to allow processing for U.S. resettlement of Tibetan refugees at the Embassy, while underlining the importance of acting quietly to avoid attracting unwanted attention from China. End Summary.

King Committed to Multiparty Democracy

12. (C) Foreign Minister Ramesh Nath Pandey assured visiting PDAS Donald Camp that the King fully supported the President's March 2 statement on democracy in Nepal. Pandey also thanked Camp for the letter to the King from Commander U.S. Forces Pacific Admiral Fallon. Pandey claimed that Nepal and the United States had a "meeting of minds," sharing "the same views, concerns and commitment" to multiparty democracy and peace in Nepal. Camp countered by saying that Nepal should take the President's statement in Delhi as a call for immediate action by the King to reach out to the Parties.

Waiting for Parties To Respond

- 13. (C) Pandey explained that the King had already taken the initiative, reaching out to the political parties in his February 19 Democracy Day statement (ref B), and was now waiting for the Parties to respond. He asked the U.S. "to encourage the Parties to test the King's offer." He took it as a "positive indication" that Nepali Congress leader G.P. Koirala had not reacted negatively to the King's overture. Pandey believed that Koirala was the only leader with the ability to effect a political solution, but worried that Koirala was old and sick and did not trust anyone other than himself.
- ¶4. (C) Camp suggested that it was difficult for United Marxist Leninist (UML) leader M.K. Nepal to contribute positively, as he was still under house arrest. Pandey acknowledged that Camp had requested to meet with him but countered that M.K. Nepal had ties to the Maoists and it was a matter of national security to not allow the Maoists to work through M.K. Nepal. Pandey highlighted the threat posed by the Maoists by referring to the recent seizure of large amounts of explosives from India (ref C). Pandey noted that M.K. Nepal was close to Bam Dev Gautam (UML), who in turn was linked with the Maoists. Gautam was currently in New Delhi talking to the Maoists (ref D). Pandey stressed that the King was not opposed to dealing with individual communists, such as K.P. Oli (UML), whom he termed "peace loving."

### Parties Need Realistic Roadmap

15. (C) Pandey explained that the King was not asking the political parties to agree to his roadmap, but was asking the Parties to propose their own "realistic" roadmap in good faith. He cautioned that reinstatement of Parliament would not be realistic, arguing that the Supreme Court had ruled against the legality of that action, and not even the King could "violate the democratic principles" of a Supreme Court ruling. Admitting a lack of trust between the King and the Parties, Pandey reiterated that the King had publicly made the first step and was waiting for the Parties to respond. It would be "difficult" for the King, as "a symbol of national unity and stability," if the Parties did not take a "reciprocal step." But he promised the King would react positively if the Parties "tested the intention" of the King. Pandey noted that the King had refrained from announcing a date for a Parliamentary election in the hopes of involving the Parties, adding that, without an election, there could not be a functioning democracy.

# Indian "Double Standards"

16. (C) Pandey expressed outrage at Indian double standards on democracy and terrorism. While India condemned the King's efforts to hold elections and return Nepal to a democracy, he said, the Indian president was visiting Burma and praising their efforts to "return to democracy" after 40 years of military rule. On terrorism, he noted that while India called on Pakistan to do more to control terrorists operating from its territory, India was currently hosting a meeting between Nepali political parties and Maoist terrorists in New Delhi.

## Bhutan Stalling on Refugee Conditions

17. (C) Pandey reported that the Bhutanese Foreign Minister Wangchuk had finally responded to his late January letter (ref A), in which Pandey had invited Wangchuk to visit Kathmandu to establish terms and conditions for returnees. Wangchuk's response asked for a visit of a Bhutanese team to Khudunabari refugee camp to clarify conditions of return for Category 1 and 4 refugees. Pandey rejected this offer as a stalling tactic. Pandey reiterated his concern that, as had happened in 2003, the Bhutanese could easily rile up the refugees by laying down objectionable conditions, such as refusing citizenship or reparation of seized assets, causing

rioting in the camps. He worried that Bhutan would then claim it could not take back any refugees as there was "no law and order" in the camps in Nepal.

### Quiet Movement on Tibetan Refugee Issues

- $\P8$ . (C) Pandey confirmed (ref E) that he has altered course on the whole range of Tibetan refugee issues, reiterating his Feb. 27 offer of cooperation and stressing the importance of results rather than process. He was optimistic about continuing to allow Tibetan new arrivals to transit through Nepal to India without official exit permits, explaining that the "methodology" was "sensitive." (Note: UNHCR sent a test busload of 18 highly vulnerable refugees to India on March 3 without exit permits and intended to send a second busload of 24 unaccompanied minors on March 14. UNHCR reports there are currently about 650 people at the Tibetan Reception Center. End note.) He also opened the door for registering the Tibetan Welfare Society under a less controversial name, saying he had "asked concerned authorities to work very quietly on the problem." (Note: We and UNHCR had suggested this possibility in the past. Pandey's new acceptance of this is positive. End note.)
- 19. (C) Pandey stated that once the U.S. Embassy "selected names" of 5,000 long-term Tibetan residents in Nepal, "the ball will be in my court" to clear the names, and allow those Tibetans to resettle in the U.S. However, he highlighted that the Chinese were "very sensitive" about Tibetan issues, and stated that Chinese State Counselor Tang would be visiting Nepal the week of March 13, with proposals that he anticipated would be "extremely helpful" to Nepal. He added that Nepal could have good relations with China and the U.S. at the same time.

## Working to Improve Human Rights

19. (C) Pandey lamented that Maoist "terrorists" were a growing threat in Nepal, and an even greater threat in India, but somehow Nepal had not done a good job of articulating this threat to democracy. He claimed that if the U.S. had continued to support the Nepali security forces, the Maoists would not be such a threat today. He noted that Nepal was working to improve human rights; and stressed that security forces are receiving human rights training and that any member of the security forces accused of human rights abuses was not allowed to participate in UN peacekeeping missions. All army cadets had to pass a course on international humanitarian law before they could be commissioned. Pandey asserted that the number of human rights abuses had been reduced in the last year and he hoped they would be reduced even further this year. He commented that he would explain this to the UN Human Rights Commission in Geneva if there was a meeting this month. PDAS Camp noted the good work of the OHCHR in Nepal, which the U.S. continued to support.

#### Comment

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- 110. (C) There was little new in what Pandey had to say about Nepal's political scene. PDAS Camp effectively pushed back each time he contended that there is "a complete meeting of the minds" between Washington and Kathmandu, insisting that the King must act quickly and pointing out that not only the Administration but the Congress as well were concerned about the deterioration of the situation in Nepal. The Foreign Minister's reiteration of the Government's commitment to cooperate with us on Tibetan refugees was the one encouraging theme. Although Pandey wants to control the situation and continues to insist on secrecy, we need to take advantage of this opportunity and move quickly -- and quietly -- to begin processing for resettlement in Kathmandu.
- 111. (U) PDAS Camp departed before clearing this cable. SCHLOSSER